

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

V.

**ROY HILL, ERIC N. SHELLY, CLEAN
ENERGY TECHNOLOGY
ASSOCIATION, INC., and FREEDOM
IMPACT CONSULTING, LLC,**

Defendants.

[illegible]

CIVIL ACTION NO. 6:23-cv-00321

**DEFENDANT ROY HILL'S RESPONSE OBJECTING TO RECEIVER'S FOURTH
INTERIM FEE APPLICATION**

On March 25, 2024, Receiver’s counsel filed Receiver’s Fourth Interim Fee Application with the Court. Dkt. No. 72. Receiver’s counsel states in his certificate of conference that Mr. Hill is opposed and that “Mr. Hill’s objection was based solely upon his view that the quarterly report is not a final report.” This is incorrect and does not accurately describe Mr. Hill’s objection to the report as conveyed through his counsel.

Mr. Hill objects to the amounts Receiver is seeking in compensation for Mr. Byron Veech's expert "report." *See* Dkt. Nos. 72 & 73. The invoices from the Receiver reference a report that has been or will be made by Mr. Veech multiple times. *See e.g.*, Dkt. No. 71 at APPX. 033 ("Create tasks based off of Veech's report."); APPX. 048 ("Phone conference with B. Veech and D. Roossien discussing pertinent questions regarding B. Veech's upcoming report on his recent inspections and property evaluations."); APPX. 034 ("Review Byron Veech PWC site visit report.")).

It was also represented to counsel for Mr. Hill that Mr. Veech would be creating such a report. However, undersigned counsel was recently informed that no such report exists. Instead, Receiver's Quarterly Report for the Fourth Quarter of 2023 simply summarizes Mr. Veech's supposed findings in a few paragraphs, specifically paragraphs 6-16. *See* Dkt. No. 66. A few paragraphs drafted by the Receiver is, of course, **not a report**, but merely a recitation of some of the findings that could be contained in a report written by the Receiver. Receiver's remarks clearly indicate he feels otherwise: "Mr. Hill seems unable or unwilling to understand that paragraphs 6-16 of the Receiver's Quarterly Report for the Fourth Quarter of 2023 contain the final report of Mr. Veech . . ." Dkt. No. 72 at ¶ 4.

Receiver's Fourth Interim Fee Application seeks approval to pay \$94,171 for the fees and expenses of Mr. Veech. In its Appendix in Support (Dkt. No. 73), Receiver attaches Mr. Veech's invoices which repeatedly reference hours spent on a "report":

1. "Worked 3.5 hours on Fairfield report." *Id.* at APPX. 007 (dated 12/02/2023).
2. "Worked 6 hours on Fairfield report." *Id.* (dated 12/4/2023).
3. "[W]orked on final report." (3 hours) *Id.* (dated 12/21/2023).
4. "[W]orked on final report." (4.5 hours) *Id.* (dated 12/21/2023).
5. "[W]orked on final report." (2.5 hours) *Id.* (dated 12/21/2023).

No report has apparently been drafted, despite the wording of these billing entries. Defendant Roy Hill therefore requests from the Court an order denying the requested fees entirely or, in the alternative, reducing the amount granted pursuant to Receiver's Fourth Interim Fee Application due to the fact that work that is alleged to have taken at least 20 hours of time for which Mr. Veech is billing appears not to have been done at all.

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Date: April 1, 2024

Respectfully submitted,

/s/ David W. Klaudt

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ATTORNEY FOR DEFENDANT ROY HILL

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the above and foregoing document has been served on all parties that have appeared through the Court's electronic filing system on April 1, 2024.

/s/ David W. Klaudt

David W. Klaudt